

Beauregard Council on Aging, Inc.  
DeRidder, Louisiana

FINANCIAL STATEMENTS  
June 30, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2-8-2006

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John A. Windham, CPA

## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Beauregard Council on Aging, Inc.  
DeRidder, Louisiana

I have audited the accompanying financial statements of the governmental activities, and each major fund of the Beauregard Council on Aging, Inc., as of and for the year ended June 30, 2005, which collectively comprise the Council's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Beauregard Council on Aging, Inc. management. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, and each major fund of the Beauregard Council on Aging, Inc., as of June 30, 2005, and the respective changes in financial position, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated November 30, 2005 on my consideration of the Beauregard Council on Aging, Inc., internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.

The budgetary comparison information on pages 23 through 30, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

The Beauregard Council on Aging, Inc., has not presented management's discussion and analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Board of Directors  
Beauregard Council on Aging, Inc.  
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My audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Beauregard Council on Aging, Inc.'s, basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining nonmajor fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in black ink that reads "John A. Windham, CPA". The signature is written in a cursive, flowing style.

DeRidder, Louisiana  
November 30, 2005

## BASIC FINANCIAL STATEMENTS

Beauregard Council on Aging, Inc.

Statement A

Statement of Net Assets  
June 30, 2005

ASSETS	
Current Assets	
Cash and cash equivalents	\$ 71,374
Grant receivable	1,552
Total current assets	<u>\$ 72,926</u>
Noncurrent Assets	
Capital assets, net	<u>\$ 10,290</u>
Total assets	<u><u>\$ 83,216</u></u>
LIABILITIES	
Current Liabilities	
Accounts payable	<u>\$ 3,356</u>
NET ASSETS	
Invested in capital assets	\$ 10,290
Unrestricted	31,961
Restricted	37,609
Total net assets	<u>\$ 79,860</u>
Total liabilities and net assets	<u><u>\$ 83,216</u></u>

The accompanying notes are an integral part of this statement.

Beauregard Council on Aging, Inc.

Statement B

Statement of Activities  
For the Year Ended June 30, 2005

	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net
		Fees Generated by Fundraiser	Operating Grants and Contributions	Program Services
Program Services:				
General government	\$ 7,201	\$ 746	\$ 29,594	\$ 23,139
AAA fund	26,284	-	26,713	429
Audit fund	3,000	-	1,087	(1,913)
Title III C-1 fund	47,857	-	42,326	(5,531)
Title III C-2 fund	132,652	-	71,338	(61,314)
Energy fund	1,769	-	1,779	10
Title III B fund	89,039	-	79,313	(9,726)
Title III D fund	6,023	-	4,409	(1,614)
Title III E fund	35,382	-	34,760	(622)
Senior center	14,840	-	27,606	12,766
Supplemental senior center	-	-	3,825	3,825
United Way	21,228	-	40,550	19,322
NSIP Fund	-	-	23,800	23,800
Total program services	\$ 385,275	\$ 746	\$ 387,100	\$ 2,571
General revenues:				
Investment income				198
Gain (loss) on asset disposal				(1,678)
Miscellaneous				337
			Total general revenues	(1,143)
			Change in net assets	1,428
Net assets at beginning of year				81,787
Prior period adjustment				(3,355)
Net assets at end of year				\$ 79,860

The accompanying notes are an integral part of the statement.

Beauregard Council on Aging, Inc.

Statement C

Balance Sheet  
June 30, 2005

ASSETS	General Fund	Special Revenue Funds	Total
Current Assets			
Cash and cash equivalents	\$ 13,409	\$ 57,965	\$ 71,374
Grant receivable	-	1,552	1,552
Total assets	<u>\$ 13,409</u>	<u>\$ 59,517</u>	<u>\$ 72,926</u>
LIABILITIES AND FUND BALANCES			
Current Liabilities:			
Accounts payable	\$ -	\$ 3,356	\$ 3,356
Fund Balances:			
Unreserved	\$ 13,409	\$ 18,552	\$ 31,961
Reserved	-	37,609	37,609
Total fund balances	<u>\$ 13,409</u>	<u>\$ 56,161</u>	<u>\$ 69,570</u>
Total liabilities and fund balances	<u>\$ 13,409</u>	<u>\$ 59,517</u>	<u>\$ 72,926</u>

The accompanying notes are an integral part of this statement.



Beauregard Council on Aging, Inc.

Statement D

Reconciliation of the Governmental Funds Balance Sheet  
to Statement of Net Assets  
June 30, 2005

Total fund balance - total governmental funds	\$ 69,570
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheets.	<u>10,290</u>
Net assets of governmental activities	<u>\$ 79,860</u>

The accompanying notes are an integral part of this statement.

Beauregard Council on Aging, Inc.

Statement E

Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2005

	General Fund	AAA Fund	Title III C-1 Fund	Title III C-2 Fund	Title III-B Fund	Title III-E Fund	United Way	Other Funds	Total Funds
<b>SUPPORT AND REVENUE</b>									
<b>SUPPORT</b>									
Intergovernmental									
Governor's Office of Elderly Affairs	\$ 21,048	\$ 25,584	\$ 36,351	\$ 60,924	\$ 73,072	\$ 33,380	\$ -	\$ 33,504	\$ 283,863
United Way of America	-	-	-	-	-	-	40,550	-	40,550
Nutrition Services Incentive Program	-	-	-	-	-	-	-	23,800	23,800
Public support									
Public donations	8,546	-	-	-	-	-	-	-	8,546
Participant contributions	-	-	5,782	10,414	1,403	-	-	344	17,943
Utility assistance	-	-	-	-	-	-	-	1,779	1,779
In kind support	-	1,129	193	-	4,838	1,380	-	3,079	10,619
Total	\$ 29,594	\$ 26,713	\$ 42,326	\$ 71,338	\$ 79,313	\$ 34,760	\$ 40,550	\$ 62,506	\$ 387,100
Fundraising	\$ 746	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 746
Total Support	\$ 30,340	\$ 26,713	\$ 42,326	\$ 71,338	\$ 79,313	\$ 34,760	\$ 40,550	\$ 62,506	\$ 387,846
<b>REVENUE</b>									
Interest income	\$ 198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 198
Other income	337	-	-	-	-	-	-	-	337
Total Revenue	\$ 535	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 535
Total Support and Revenue	\$ 30,875	\$ 26,713	\$ 42,326	\$ 71,338	\$ 79,313	\$ 34,760	\$ 40,550	\$ 62,506	\$ 388,381

(Continued)

The accompanying notes are an integral part of this statement.

Beauregard Council on Aging, Inc.

Statement E

Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Year Ended June 30, 2005

	General Fund	AAA Fund	Title III C-1 Fund	Title III C-2 Fund	Title III-B Fund	Title III-E Fund	United Way	Other Funds	Total Funds
<b>EXPENDITURES</b>									
Program services:									
Health, Welfare and Social services									
Salaries and benefits	\$ 2,177	\$ 18,422	\$ 8,871	\$ 8,871	\$ 63,975	\$ 2,089	\$ -	\$ 15,707	\$ 120,112
Travel	15	137	68	68	226	49	-	42	605
Operating services	2,371	5,396	1,620	1,620	11,250	31,814	21,228	6,433	81,732
In kind operating services	-	1,129	193	-	4,838	1,380	-	3,079	10,619
Operating supplies	395	1,200	224	224	5,258	50	-	371	7,722
Other - meals	-	-	36,881	121,869	-	-	-	-	158,750
Capital outlay	46	399	75	75	537	17	-	123	1,272
Debt service:									
Principal	-	-	-	-	345	-	-	-	345
Interest	-	-	-	-	14	-	-	-	14
Total expenditures	\$ 5,004	\$ 26,683	\$ 47,932	\$ 132,727	\$ 86,443	\$ 35,399	\$ 21,228	\$ 25,755	\$ 381,171
Excess (deficiency) of support and revenue over expenditures	\$ 25,871	\$ 30	\$ (5,606)	\$ (61,389)	\$ (7,130)	\$ (639)	\$ 19,322	\$ 36,751	\$ 7,210
Other financing sources (uses)									
Operating transfers in	\$ 110	\$ 2,545	\$ 5,610	\$ 61,394	\$ 7,202	\$ 1,519	\$ -	\$ 5,101	\$ 83,481
Operating transfers out	(22,961)	(32)	(4)	(5)	(72)	(68)	(18,550)	(41,789)	(83,481)
Total other financing sources (uses)	\$ (22,851)	\$ 2,513	\$ 5,606	\$ 61,389	\$ 7,130	\$ 1,451	\$ (18,550)	\$ (36,688)	\$ -
Net change in fund balances	\$ 3,020	\$ 2,543	\$ -	\$ -	\$ -	\$ 812	\$ 772	\$ 63	\$ 7,210
Fund balances, beginning of year	10,389	-	-	-	-	-	16,474	38,852	65,715
Prior period adjustment	-	(2,543)	-	-	-	(812)	-	-	(3,355)
Fund balances, end of year	\$ 13,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,246	\$ 38,915	\$ 69,570

(Concluded)

The accompanying notes are an integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balance of Governmental Funds to the Statement of Activities  
For the Year Ended June 30, 2005

Net change in fund balances - total governmental funds	\$	7,210
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Amounts reported for governmental activities in the  
statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the government-wide statement of activities and changes in net assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period.		1,272
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Depreciation expense on capital assets is reported in the government-wide statement of activities and changes in net assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.		(5,735)
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Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		345
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Governmental funds only report the disposal of fixed assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.		(1,678)
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Accrued interest expense on long-term debt is reported in the government-wide statement of activities and changes in net assets, but does not require the use of current financial resources; therefore, accrued interest expense is not reported as expenditures in governmental funds.		14
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Change in net assets of governmental activities	\$	1,428
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The accompanying notes are an integral part of this statement.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements  
For the Year Ending June 30, 2005

**1. PURPOSE OF THE COUNCIL ON AGING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Purpose of the Council on Aging**

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people of Beauregard Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish; to provide for a mutual exchange of ideas and information on the parish and the state level; to conduct public meetings; to make recommendations for needed improvements and additional resources; to promote the welfare of aging people when requested to do so; to coordinate and monitor services of other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA) and other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

Specific services provided by the Council to the elderly residents of Beauregard Parish include providing congregate and home delivered meals, nutritional education, personal care, information and assistance, outreach, material aid, utility assistance, homemakers, recreation, legal assistance, disease prevention, health promotion, and transportation.

**B. Reporting Entity**

In 1964, the State of Louisiana passed Act 456, which authorized the charter of voluntary councils on aging for the welfare of the aging people in their respective parishes. However, before the Council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and each council is governed by the policies and regulations established by GOEA.

The Beauregard Council on Aging, Inc. is a legally separate, non-profit, quasi-public corporation. It received its charter and began operations on September 17, 1973.

A board of directors, consisting of 15 voluntary members, who service three-year terms, governs the Council. The board of directors is comprised of but not limited to, representatives of the Parish's elderly populations, general public, private businesses, and elected public officials. Board members are elected *annually from general elections*.

Membership in the Council is open at all times, without restriction, to all residents of Beauregard Parish who have reached the age of majority and who expresses an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

Based on the criteria set forth in GASB Statement 17, the Beauregard Council is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

rates or charges, and issued bonded debt. As previously mentioned, GOEA establishes the policies and regulations that all councils must follow. Included in its policies is a provision that the Council's budget be approved by GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive.

Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

**C. Presentation of Statements**

The Council's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict or contradict GASB pronouncements.

The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Council are discussed below.

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. Certain of the significant changes in the Statement include the following:

For the first time the financial statements include:

Governmental-Wide Financial statements prepared using full accrual accounting for all the Council's activities.

A change in the fund financial statements to focus on the major funds.

These and other changes are reflected in the accompanying financial statements (including notes to financial statements).

**D. Basic Financial Statements – Government-Wide Statements**

The Council's basic financial statements include both Government-Wide (reporting the Council as a whole) and fund financial statements (reporting the Council's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net assets are reported in three parts – invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Invested in net assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

The Council's policy is to use restricted resources first to finance its activities except for nutrition services. When providing nutrition services, revenues earned by the Council under its USDA contract with GOEA can only be used to pay for the raw food component of each meal that is bought and served to a person eligible to receive a meal under one of the nutrition programs. The Council's management has discretion as to how and when to use the USDA revenues when paying for nutrition program costs. Quite often unrestricted resources are available for use that must be consumed or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using restricted resources first.

The Government-Wide Statement of Activities reports both gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to drive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Council did not receive any capital-specific grants this year.

The Council allocates its indirect costs among various functions and programs in accordance with Circular A-87. In addition, GOEA provides grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs.

The Government-Wide Statements focus upon the Council's ability to sustain operations and the change in its net assets resulting from the current year's activities.

**E. Basic Financial Statements – Fund Financial Statements**

The financial transactions of the Council are reported in individual funds in the Funds Financial Statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental funds types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditures because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets that makes them only available to meet future obligations. Designated fund balances result when management tentatively sets aside or earmarks

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

certain resources to expend in a designated manner. In contrast to reserved fund balances, designated amounts can be changed at the discretion of management.

The following is a description of the governmental funds of the Council:

- **The General Fund** is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.
- **Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. A large percentage of the Council's special revenue funds are Title III funds. These funds are provided by the United States Department of Health and Human Services – Administration on Aging to the Governor's Office Elderly Affairs, which in turn "passes through" the funds to the Council.

The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

**Major Special Revenue Funds**

**Title III-C Area Agency Administration (AAA) Fund**

The Title III-C Area Agency Administration Fund is used to account for some of the administration cost associated with operating the Special Programs for the Aging.

**Title III C-1 Congregate Meals Fund**

The Title III C-1 Fund is used to account for funds, which are used to provide nutritional, congregate meals to the elderly in strategically located centers. During the fiscal year July 1, 2004 to June 30, 2005, the Council serviced about 9,175 congregate meals.

**Title III C-2 Home Delivered Meals Fund**

Title III C-2 is used to account for funds, which are used to provide nutritional, home delivered meals to homebound older persons. During the fiscal year July 1, 2004 to June 30, 2005, the Council served about 30,078 home delivered meals.

**Title III-B Supportive Services Fund**

Title III-B Supportive Services Fund is used to account for funds which are to provide a variety of social services; such as, information and assistance, assess services, in-home services, community services, legal assistance, and outreach for people age 60 and older.

**Title III-E National Family Caregiver Support Fund**

The Title III-E Fund is used to account for funds used to provide multifaceted systems of support services for family caregivers and for grandparents or older individuals who are relative caregivers, including in-home respite and respite care. In-home respite provides personal care in the home of the qualifying individual in order to provide a brief period of relief or rest for the client. Respite care provides temporary or periodic services for frail elderly or individuals with developmental disabilities including Adult Day Care/ Adult Day Health, Group Respite, In-Home Respite, and Institutional Respite.



Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

United Way – Homemaker/Sitter

Homemaker assistance is a program designed to help maintain normal household functioning when the family's life is threatened with disruptions by long or short term illness, disability, social maladjustment, or other problems which require assistance in the home to sustain independent living. Under this program, trained homemakers working under agency supervision and the supervision of social workers go into homes as substitute homemakers and assume responsibility for routine household activities such as menu planning, budgeting, shopping, child care, meal preparation, and general household management, including some light housekeeping.

**Non-Major Special Revenue Funds**

Senior Center Fund

The Senior Center fund is used to account for the administration of Senior Center Program funds appropriated by the Louisiana Legislature to the Governor's Office of Elderly Affairs, which "passes through" the funds to the Council. This program provides community service centers at which older persons receive supportive services and participate in activities which foster their independence, enhance their dignity, and encourage their dignity, and encourage their involvement in and with the community. The Council operates one senior center in Beauregard Parish, Louisiana.

N.S.I.P. Fund

The N.S.I.P. (National Services Incentive Program) Fund is used to account for the administration of Nutrition Program for the Elderly funds provided by the United States Department of Agriculture through the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council. This program reimburses the service provider about forty cents for each congregate and home-delivered meal serviced to an eligible participant so that United States food and commodities may be purchased to supplement these programs. Net assets of the N.S.I.P. Fund are restricted for the purposes stated above.

Audit Fund

The Audit Fund is used to account for funds received from the Governor's Office of Elderly Affairs that are restricted to use as a supplement to pay for the cost of having an annual audit or compilation of the Council's financial statements.

Title III-D Preventive Health Fund

The Title III-D Fund is used to account for funds used for disease prevention and health promotion activities or services, such as: (1) equipment and materials (scales to weigh people, educational material, and exercise equipment), (2) home injury control, (3) medication management, (4) mental health, and (5) nutrition (assessment/screening, counseling, and education). The law directs the state agency administering this program to "give priority to areas of the state which are medically under served and in which there are a large number of older individuals who have the greatest economic and social need."

Supplemental Senior Center Fund

The Louisiana Legislature appropriated additional money for various councils on aging through the state to be used to supplement the primary state grant for senior centers. Beauregard Council on Aging, Inc. was one of the parish councils to receive a supplemental grant. These funds are "passed through" the Governor's Office of Elderly Affairs.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

Utility Assistance Fund

The Utility Assistance Fund is used to account for the administration of programs that are sponsored by local utility companies. The companies collect contributions from service customers and employees and remit the funds directly to the Council or to the Louisiana Association of Councils on Aging (LACO), which in turn remits funds relating to Beauregard Parish to the Council. These funds are used to provide financial assistance to the elderly for the payment of their utility bill.

**F. Measurement Focus and Basis of Accounting**

Basis of accounting refers to when revenues or expenditures are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual Basis – Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenditures, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

2. Modified Accrual Basis – Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues “available” if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

**G. Interfund Activity**

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide Financial Statements.

**H. Cash and Cash Equivalents**

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

**I. Capital Assets**

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1,000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Building Improvements	20-40 years
Equipment	5-15 years
Vehicles	5 years
Computers	5 years

Salvage values have not been estimated by management when calculating how much of an asset's cost needs to be depreciated except for vehicles. For that category of capital asset, management has used 10% of the vehicle's initial cost as a salvage value estimate.

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

**J. Unpaid Compensated Absences**

Sick leave granted by this agency is vested. It is time off with pay for periods of illness or incapacity resulting from non-occupational injury, as well as for medical, dental, or optical examinations or treatment that can not be arranged after hours. The Executive Director may request a physician's statement regarding any sick leave, at his/her discretion. Full-time employees accrue sick leave at a rate of one (1) day per month; twelve (12) days per year. Sick time earned begins to accrue with the first full month of employment. While sick leave accrues and is an aggregate total no payment will be paid for sick leave not taken upon termination of employment.

Annual Leave/ Vacation is based on the number years of service and is earned as follows:

	Days
One year to Five years	12
Five to Ten years	15
Ten years and over	21

The employee's hire date will become the employee's anniversary date. No annual leave may be taken until after the first full year of employment, and the same applies for all consecutive years.

An employee must submit an Application for Leave form approved by their supervisor and the Executive Director in order to receive annual leave.

Department seniority will be adhered to for all annual leave taken (especially, during the holidays).

Full-time employees will be able to carry over ten (10) days annual leave to the following year. No pay will be granted in lieu of annual leave. All hours over 80 must be taken before January 31<sup>st</sup> of the new year.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

Payment will be made for any eligible accrued leave upon separation from employment.

The rate of pay for annual leave is the employee's current regular rate of pay.

**K. Allocation of Indirect Expenses**

The council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

**L. Management's Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

**M. Elimination and Reclassifications**

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

**2. REVENUE RECOGNITION**

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting.

Revenues are recorded in the Fund Financial Statements using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this program service fees, and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

**3. CASH AND CASH EQUIVALENTS**

At June 30, 2005, the Council had cash and cash equivalents (book balances) totaling \$71,374 as follows:

Interest bearing demand deposits	\$ 28,225
Demand deposits	43,149
Total	<u>\$ 71,374</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

At June 30, 2005, the Council had \$96,741 in deposits (collected bank balances). These deposits are secured from risk by \$96,741 of federal deposit insurance.

**4. CAPITAL ASSETS**

Capital assets and depreciation activity as of and for the year ended June 30, 2005, for the Council is as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets being depreciated				
Buildings	\$ 1,956	\$ -	\$ -	\$ 1,956
Machinery and equipment	20,191	1,272	1,831	19,632
Vehicles	26,500	-	-	26,500
Total capital assets being depreciated	48,647	1,272	1,831	48,088
Less accumulated depreciation for:				
Buildings	1,956	-	-	1,956
Machinery and equipment	12,491	2,243	153	14,581
Vehicles	17,769	3,492	-	21,261
Total accumulated depreciation	32,216	5,735	153	37,798
Total capital assets being depreciated, net	\$ 16,431	\$ (4,463)	\$ (1,678)	\$ 10,290

Depreciation expense of \$5,735 for the year ended June 30, 2005, was charged to the following governmental functions:

Title III B	\$ 3,492
General administration	2,243
Total	<u>\$ 5,735</u>

**5. BOARD OF DIRECTORS' COMPENSATION**

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

**6. INCOME TAX STATUS**

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501 (c) (3) of the Internal Revenue Code of 1986 and is an organization that is not a private foundation as defined in Section 509 (a) of the Code. It is also exempt from Louisiana income tax.

**7. JUDGEMENTS, CLAIMS, AND SIMILAR CONTINGENCIES**

There is no litigation pending against the Council at June 30, 2005. Furthermore, the Council's management believed that any potential lawsuits would be adequately covered by insurance.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Continued)

**8. FEDERAL AWARDS PROGRAMS**

The Council receives revenues from various federal and state grant programs which are subject to final review and approval as to allowability of expenditures by respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period agreed upon by the agency and the Council. Also, it is management's opinion that any audits or reviews by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect the Council's financial position.

**9. ECONOMIC DEPENDENCY**

The Council receives the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next year.

**10. INTERFUND TRANSFERS**

Operating transfers in and out are listed by fund for the fiscal year ended June 30, 2005:

	<u>Transfer In</u>	<u>Transfer Out</u>
Title III B		
Supportive Services	\$ 7,202	\$ 72
Title III C-1	5,610	4
United Way	-	18,550
Title III C-2	61,394	5
General fund	110	22,961
AAA fund	2,545	32
Title III D	1,661	5
Title III E	1,519	68
Audit Fund	1,913	-
Senior center fund	-	12,685
Senior center supplemental fund	-	3,825
NSIP fund	1,527	25,274
	<u>\$ 83,481</u>	<u>\$ 83,481</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

These transfers were eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

**11. RETIREMENT COMMITMENTS**

Employees of the Council are participants in the social security system and retirement benefits are provided by that system.

Beauregard Council on Aging, Inc.

Notes to the Financial Statements (Concluded)

**12. RISK MANAGEMENT**

The Council is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. No settlements were made during the year that exceeded the Council's insurance coverage.

**13. PRIOR PERIOD ADJUSTMENT**

The prior period adjustment of \$3,355 (\$2,543 in the AAA Fund and \$812 in the Title IIIIE Fund) is money owed back to the Governor's Office of Elderly Affairs from the year ended June 30, 2004. These monies were paid subsequent to the June 30, 2005 year end. Since these funds do not affect the current year revenues this adjustment has been made to the respective funds fund balances for this year.

**SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34**



General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over(under)	GAAP Basis
<b>SUPPORT AND REVENUE</b>					
<b>SUPPORT</b>					
Local fund revenue	\$ 6,376	\$ 8,840	\$ 8,546	\$ (294)	\$ 8,546
PCOA revenue	21,048	21,048	21,048	-	21,048
Total	\$ 27,424	\$ 29,888	\$ 29,594	\$ (294)	\$ 29,594
Fundraising	\$ -	\$ -	\$ 746	\$ 746	\$ 746
Total Support	\$ 27,424	\$ 29,888	\$ 30,340	\$ 452	\$ 30,340
<b>REVENUE</b>					
Interest income	\$ -	\$ -	\$ 198	\$ 198	\$ 198
Sale of assets	-	-	337	337	337
Total Revenue	\$ -	\$ -	\$ 535	\$ 535	\$ 535
Total Support and Revenue	\$ 27,424	\$ 29,888	\$ 30,875	\$ 987	\$ 30,875

(Continued)

General Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over(under)	Actual Amount GAAP Basis
	Original	Final			
<b>EXPENDITURES</b>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 2,506	\$ 2,683	\$ 2,177	\$ 506	\$ 2,177
Travel	45	45	15	30	15
Operating services	3,463	4,828	2,371	2,457	2,371
Operating supplies	362	1,226	395	831	395
Capital outlay	-	58	46	12	46
Total expenditures	\$ 6,376	\$ 8,840	\$ 5,004	\$ 3,836	\$ 5,004
Excess (deficiency) of support and revenue over expenditures	\$ 21,048	\$ 21,048	\$ 25,871	\$ 4,823	\$ 25,871
Other financing sources (uses)					
Transfers in	-	-	110	110	110
Transfers out	-	-	(22,961)	(22,961)	(22,961)
Total other financing sources (uses)	-	-	(22,851)	(22,851)	(22,851)
Net change in fund balances	\$ 21,048	\$ 21,048	\$ 3,020	\$ (18,028)	\$ 3,020
Fund balances, beginning of year	10,389	10,389	10,389	-	10,389
Fund balances, end of year	\$ 31,437	\$ 31,437	\$ 13,409	\$ (18,028)	\$ 13,409
					(Concluded)

Title AAA Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over(under)	GAAP Basis
<b>SUPPORT</b>					
GOEA support	\$ 25,584	\$ 25,584	\$ 25,584	\$ -	\$ 25,584
In kind support	-	-	1,129	1,129	1,129
Total support	\$ 25,584	\$ 25,584	\$ 26,713	\$ 1,129	\$ 26,713
<b>EXPENDITURES</b>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 18,992	\$ 17,594	\$ 18,422	\$ (828)	\$ 18,422
Travel	348	300	137	163	137
Operating services	5,030	5,837	5,396	441	5,396
In kind operating services	-	-	1,129	(1,129)	1,129
Operating supplies	1,214	1,471	1,200	271	1,200
Capital outlay	-	382	399	(17)	399
Total expenditures	\$ 25,584	\$ 25,584	\$ 26,683	\$ (1,099)	\$ 26,683
Excess (deficiency) of support over expenditures	\$ -	\$ -	\$ 30	\$ 30	\$ 30
Other financing sources (uses)					
Transfers in	-	-	\$ 2,545	\$ 2,545	\$ 2,545
Transfers out	-	-	(32)	(32)	(32)
Total other financing sources (uses)	\$ -	\$ -	\$ 2,513	\$ 2,513	\$ 2,513
Net change in fund balances	\$ -	\$ -	\$ 2,543	\$ 2,543	\$ 2,543
Fund balances, beginning of year	-	-	-	-	-
Prior period adjustment	-	-	(2,543)	(2,543)	(2,543)
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

Title III C-1 Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over(under)	GAAP Basis
<b>SUPPORT</b>					
GOEA support	\$ 36,351	\$ 36,351	\$ 36,351	\$ -	\$ 36,351
Participant contributions	5,315	5,000	5,782	782	5,782
In kind support	-	-	193	193	193
Total support	\$ 41,666	\$ 41,351	\$ 42,326	\$ 975	\$ 42,326
<b>EXPENDITURES</b>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 11,062	\$ 8,641	\$ 8,871	\$ (230)	\$ 8,871
Travel	146	56	68	(12)	68
Operating services	1,401	1,654	1,620	34	1,620
In kind operating services	-	-	193	(193)	193
Operating supplies	839	272	224	48	224
Other meals	39,300	37,142	36,881	261	36,881
Capital outlay	-	71	75	(4)	75
Total expenditures	\$ 52,748	\$ 47,836	\$ 47,932	\$ (96)	\$ 47,932
Excess (deficiency) of support over expenditures	\$ (11,082)	\$ (6,485)	\$ (5,606)	\$ 879	\$ (5,606)
Other financing sources (uses)					
Transfers in	\$ 11,082	\$ 6,485	\$ 5,610	\$ (875)	\$ 5,610
Transfers out	-	-	(4)	(4)	(4)
Total other financing sources (uses)	\$ 11,082	\$ 6,485	\$ 5,606	\$ (879)	\$ 5,606
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	-	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

Title III C-2 Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over(under)	GAAP Basis
<b>SUPPORT</b>					
GOEa support	\$ 60,924	\$ 60,924	\$ 60,924	\$ -	\$ 60,924
Participant contributions	14,188	9,819	10,414	595	10,414
Total support	\$ 75,112	\$ 70,743	\$ 71,338	\$ 595	\$ 71,338
<b>EXPENDITURES</b>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 11,062	\$ 8,641	\$ 8,871	\$ (230)	\$ 8,871
Travel	147	56	68	(12)	68
Operating services	1,901	1,654	1,620	34	1,620
Operating supplies	339	272	224	48	224
Other meals	122,813	118,087	121,869	(3,782)	121,869
Capital outlay	-	71	75	(4)	75
Total expenditures	\$ 136,262	\$ 128,781	\$ 132,727	\$ (3,946)	\$ 132,727
Excess (deficiency) of support over expenditures	\$ (61,150)	\$ (58,038)	\$ (61,389)	\$ (3,351)	\$ (61,389)
Other financing sources (uses)					
Transfers in	\$ 61,150	\$ 58,038	\$ 61,394	\$ 3,356	\$ 61,394
Transfers out	-	-	(5)	(5)	(5)
Total other financing sources (uses)	\$ 61,150	\$ 58,038	\$ 61,389	\$ 3,351	\$ 61,389
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	-	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

Title III B Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount	Budget to GAAP	Actual Amount
	Original	Final	Budgetary Basis	differences over(under)	GAAP Basis
<b>SUPPORT</b>					
GOEA support	\$ 73,072	\$ 73,072	\$ 73,072	\$ -	\$ 73,072
Participant contributions	933	988	1,403	415	1,403
In kind support	-	-	4,838	4,838	4,838
Total support	\$ 74,005	\$ 74,060	\$ 79,313	\$ 5,253	\$ 79,313
<b>EXPENDITURES</b>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 71,555	\$ 64,140	\$ 63,975	\$ 165	\$ 63,975
Travel	696	435	226	209	226
Operating services	14,026	15,396	11,250	4,146	11,250
In kind operating services	-	-	4,838	(4,838)	4,838
Operating supplies	6,860	6,733	5,258	1,475	5,258
Capital outlay	-	554	537	17	537
Debt service:					
Principal	-	-	345	(345)	345
Interest	-	-	14	(14)	14
Total expenditures	\$ 93,137	\$ 87,258	\$ 86,443	\$ 815	\$ 86,443
Excess (deficiency) of support over expenditures	\$ (19,132)	\$ (13,198)	\$ (7,130)	\$ 6,068	\$ (7,130)
Other financing sources (uses)					
Transfers in	\$ 19,132	\$ 13,198	\$ 7,202	\$ (5,996)	\$ 7,202
Transfers out	-	-	(72)	(72)	(72)
Total other financing sources (uses)	\$ 19,132	\$ 13,198	\$ 7,130	\$ (6,068)	\$ 7,130
Net change in fund balances	\$ -	\$ -	\$ -	\$ -	\$ -
Fund balances, beginning of year	-	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

Title III E Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over(under)	Actual Amount GAAP Basis
	Original	Final			
<b>SUPPORT</b>					
GOEA support	\$ 33,380	\$ 33,380	\$ 33,380	\$ -	\$ 33,380
In kind support	-	-	1,380	1,380	1,380
Total Support	\$ 33,380	\$ 33,380	\$ 34,760	\$ 1,380	\$ 34,760
<b>EXPENDITURES</b>					
Program services:					
Health, Welfare and Social services					
Salaries and benefits	\$ 3,434	\$ 1,985	\$ 2,089	\$ (104)	\$ 2,089
Travel	79	12	49	(37)	49
Operating services	32,131	31,936	31,814	122	31,814
In kind operating services	-	-	1,380	(1,380)	1,380
Operating supplies	102	59	50	9	50
Capital outlay	-	15	17	(2)	17
Total expenditures	\$ 35,746	\$ 34,007	\$ 35,399	\$ (1,392)	\$ 35,399
Excess (deficiency) of support over expenditures	\$ (2,366)	\$ (627)	\$ (639)	\$ (12)	\$ (639)
Other financing sources (uses)					
Transfers in	\$ 2,366	\$ 627	\$ 1,519	\$ 892	\$ 1,519
Transfers out	-	-	(68)	(68)	(68)
Total other financing sources (uses)	\$ 2,366	\$ 627	\$ 1,451	\$ 824	\$ 1,451
Net change in fund balances	\$ -	\$ -	\$ 812	\$ 812	\$ 812
Fund balances, beginning of year	-	-	-	-	-
Prior period adjustment	-	-	(812)	(812)	(812)
Fund balances, end of year	\$ -	\$ -	\$ -	\$ -	\$ -

United Way Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual  
For the Year Ended June 30, 2005

	Budgeted Amounts		Actual Amount Budgetary Basis	Budget to GAAP differences over (under)	Actual Amount GAAP Basis
	Original	Final			
<u>SUPPORT</u>					
United Way of America	\$ 40,550	\$ 40,550	\$ 40,550	\$ -	\$ 40,550
<u>EXPENDITURES</u>					
Program services:					
Health, Welfare and Social services					
Operating services	\$ 22,000	\$ 22,000	\$ 21,228	\$ 772	\$ 21,228
Excess (deficiency) of support over expenditures	\$ 18,550	\$ 18,550	\$ 19,322	\$ (772)	\$ 19,322
Other financing (uses)					
Transfers out	\$ (18,550)	\$ (18,550)	\$ (18,550)	\$ -	\$ (18,550)
Net change in fund balances	\$ -	\$ -	\$ 772	\$ 772	\$ 772
Fund balances, beginning of year	16,474	16,474	16,474	-	16,474
Fund balances, end of year	\$ 16,474	\$ 16,474	\$ 17,246	\$ 772	\$ 17,246



**SUPPLEMENTARY INFORMATION REQUIRED BY GOEA**

Schedule of Non-Major Special Revenue Funds  
Combining Statement of Revenue and Expenditures  
For the Year Ended June 30, 2005

	Title III D	Audit	Senior Center	Senior Center Supplemental	Energy Fund	NSIP	Total
<b>Support</b>							
Intergovernmental							
Governor's Office of Elderly Affairs	\$ 4,065	\$ 1,087	\$ 24,527	\$ 3,825	\$ -	\$ -	\$ 33,504
Nutrition Services Incentive Program	-	-	-	-	-	23,800	23,800
<b>Public support</b>							
Utility assistance	-	-	-	-	1,779	-	1,779
Participant contributions	344	-	-	-	-	-	344
In kind support	-	-	3,079	-	-	-	3,079
<b>Total support</b>	<b>\$ 4,409</b>	<b>\$ 1,087</b>	<b>\$ 27,606</b>	<b>\$ 3,825</b>	<b>\$ 1,779</b>	<b>\$ 23,800</b>	<b>\$ 62,506</b>
<b>Expenditures</b>							
Health and Welfare and Social Services							
Salaries and benefits	\$ 5,321	\$ -	\$ 10,386	\$ -	\$ -	\$ -	\$ 15,707
Travel	14	-	28	-	-	-	42
Operating services	562	3,000	1,102	-	1,769	-	6,433
Operating supplies	126	-	245	-	-	-	371
Capital outlay	42	-	81	-	-	-	123
In kind operating services	-	-	3,079	-	-	-	3,079
<b>Total expenditures</b>	<b>\$ 6,065</b>	<b>\$ 3,000</b>	<b>\$ 14,921</b>	<b>\$ -</b>	<b>\$ 1,769</b>	<b>\$ -</b>	<b>\$ 25,755</b>
<b>Excess (deficiency) of support over expenditures</b>	<b>\$ (1,656)</b>	<b>\$ (1,913)</b>	<b>\$ 12,685</b>	<b>\$ 3,825</b>	<b>\$ 10</b>	<b>\$ 23,800</b>	<b>\$ 36,751</b>
<b>Other financing sources (uses)</b>							
Transfers in	\$ 1,661	\$ 1,913	\$ -	\$ -	\$ -	\$ 1,527	\$ 5,101
Transfers out	(5)	-	(12,685)	(3,825)	-	(25,274)	(41,789)
<b>Total other financing sources (uses)</b>	<b>\$ 1,656</b>	<b>\$ 1,913</b>	<b>\$ (12,685)</b>	<b>\$ (3,825)</b>	<b>\$ -</b>	<b>\$ (23,747)</b>	<b>\$ (36,688)</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10</b>	<b>\$ 53</b>	<b>\$ 63</b>
<b>Fund balances at beginning of year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,296</b>	<b>37,556</b>	<b>38,852</b>
<b>Fund balances at end of year</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,306</b>	<b>\$ 37,609</b>	<b>\$ 38,915</b>

Comparative Schedule of General Fixed Assets  
and Changes in General Fixed Assets  
For the Year Ended June 30, 2005

	Beginning Balance	Increase	Decrease	Ending Balance
<b>General Fixed Assets</b>				
Vehicles	\$ 26,500	\$ -	\$ -	\$ 26,500
Buildings	1,956	-	-	1,956
Machinery and equipment	20,191	1,272	1,831	19,632
<b>Total capital assets being depreciated</b>	<b>\$ 48,647</b>	<b>\$ 1,272</b>	<b>\$ 1,831</b>	<b>\$ 48,088</b>
<b>Invested in General Fixed Assets</b>				
Property acquired with funds from				
United Way	\$ 1,300	\$ -	\$ -	\$ 1,300
State Funds - Act 735	13,084	-	-	13,084
Senior Center	1,505	81	-	1,586
Title III C AAA	1,224	399	-	1,623
Title III B	19,508	537	-	20,045
Title III C-1	2,207	75	-	2,282
Title III C-2	251	75	-	326
Title III D	106	42	-	148
Title III E	151	17	-	168
Local Funds	9,311	46	1,831	7,526
<b>Total Invested in General Fixed Assets</b>	<b>\$ 48,647</b>	<b>\$ 1,272</b>	<b>\$ 1,831</b>	<b>\$ 48,088</b>

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John A. Windham, CPA

## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Board of Directors  
Beauregard Council on Aging, Inc.  
DeRidder, Louisiana

I have audited the financial statements of the governmental activities and each major fund of the Beauregard Council on Aging, Inc., as of and for the year ended June 30, 2005, which collectively comprise the Beauregard Council on Aging, Inc.'s, basic financial statements and have issued my report thereon dated November 30, 2005. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing my audit, I considered the Beauregard Council on Aging, Inc.'s, internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinions on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Beauregard Council on Aging, Inc.'s, financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Beauregard Council on Aging, Inc.  
Board of Directors  
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This report is intended solely for the information and use of management, others within the organization, and the Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties, although under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

A handwritten signature in black ink that reads "John D. Windham, CPA". The signature is written in a cursive style with a large, stylized initial 'J'.

DeRidder, Louisiana  
November 30, 2005